

Loan Guarantee Assists in Business Acquisition

Outline Of Need: Hy-Way Trailer, Inc., located off of busy Interstate 80 in Henderson, Nebraska manufactures semi-trailers from hoppers, dry vans, reefers, flatbeds to tanks. William Bamesberger, the owner, was looking towards retirement but wanted to make sure the business, that he had worked so hard to build since 1980, continued. In 2003, Dennis Reiger and Randall Wilhelm, employees of Hy-Way Trailer, Inc. purchased the business. Bamesberger agreed to stay on and work with the new owners to make sure they and the business were successful; this would also provide him with a smoother transition into retirement.

How Rural Development Helped: In addition to their personal cash, Reiger and Wilhelm obtained a loan from the Cornerstone Bank of Henderson. USDA Rural Development guaranteed the bank loan through its Business and Industry Guaranteed loan program. This program provides a credit enhancement tool to lenders, allowing them the opportunity to be engaged in project financing due to the capability to offer longer repayment periods. Without a guarantee in place, lenders traditionally cannot look at a repayment period of greater than three to five years.

The Results: Hy-Way Trailer, Inc., a rural community business, successfully continues on under new ownership. Mr. Bamesberger still works about three days a week assisting Dennis and Randy in the bookkeeping and estimating repair jobs.

May 2006



**Hy-Way Trailer, Inc. Owners L-R:
Dennis Reiger and Randall Wilhelm**

